

**From:** "Moran, Kieran" <KMoran@sompo-intl.com>  
**Sent:** Mon, 25 Feb 2019 12:44:01 -0600 (CST)  
**To:** "Beggs, Brian" <bbeggs@sompo-intl.com>  
**Cc:** "Sentman, Jeremy" <JSentman@sompo-intl.com>  
**Subject:** Justice Update  
**Attachments:** 2019.2.25 JUSTICE UPDATE.docx

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**Defendant's  
Exhibit 8**

Here is an update on Justice:

**JUSTICE UPDATE  
FEBRUARY 25, 2019**

**ISSUES TO MONITOR**

1. Receipt of the original signed & executed agreements (Marsh to send to us this week)
2. Receipt of monthly collateral payments - \$250M p/month starting 2/28/19
3. Receipt of month premium payments - \$200M p/month starting 2/28/19
4. Appeal bond – we need documentation of payment agreement with the plaintiff, and a release under our bond (Jeremy Sentman was following-up on that with Justice's appeal counsel as of 2/22/19)
5. Engineering Firm – Boots on the ground reports. Jay Justice was upset last week that we had gone ahead and hired a firm without his knowledge or consent. A copy of his email is attached. Jeremy asked the consultant to stop his work, until the issue could be resolved. Apparently, Jay had the impression that they would hire the consultant and we would abide by their consultants' report. We reiterated that our consultant is to be independent and provide unbiased reports.

6. Bond Reductions:

As part of our amended deal, Justice was to provide us with reduction of existing bonds: Clarification of bond reductions are as follows:

- Bond # 1069954 with a Penal Sum of \$2,017,500 will be returned upon issuance of the new KY bonds
- Approximately \$1,483,800 of Infinity Bonds will be returned

7. Sale of Bluestone:

- They should have selected 4-6 initial finalists
- Binding final bids expected to be due by March 15, 2019

8. Liquidity Event:

Sale of Bluestone liquidity event will result in collateral provided to Sompo in the amount of \$20MM (net of any cash build-up provided to Sompo, prior to the liquidity event)

Per the revised agreement we cut with Justice there two key parts for tracking – monthly payments of

collateral and monthly payment of premiums:

### **1) Collateral**

a) The Collateral Justice Companies and Beech Creek agree to make monthly partial payments to Lexon in the amount of Two Hundred and Fifty Thousand U.S. dollars (\$250,000.00) which shall be due on the last day of each month starting on February 28, 2019 (each payment a "Collateral Payment") and ending on the date that Lexon confirms it has received New Collateral equal to Twenty Million U.S. dollars (\$20,000,000.00).

In addition to the above, we still hold title to:

Equipment

Collateral

7/1/2018

<u>Make</u>	<u>Model</u>	<u>Serial #</u>	<u>Initial Valuation</u> <u>per</u> <u>Lexon Agreement</u>
Komatsu	Truck 730E	A30535	\$ 880,000.00
Caterpillar	Truck 785B	6HK00493	\$ 225,000.00
Caterpillar	Truck 777D	AGC01886	\$ 160,000.00
			<b>\$ 1,265,000.00</b>

### **2) Premium**

The Parties Agree the Remaining Indebtedness is equal to One Million Twenty-Five Thousand U.S. dollars (\$1,025,000.00). The Parties also agree that in addition to the Remaining Indebtedness, additional premium of \$2,513,400.75 is now due and owing (the "New Indebtedness"). The Remaining indebtedness together with the New Indebtedness is equal to \$3,538,400.75 (the "Total Indebtedness").

b) The Collateral Justice Parties and Beech Creek agree, jointly and severally, to pay Lexon the Total Indebtedness as follows:

i. On the last day of each month, the Collateral Justice Companies and Beech Creek, jointly and severally, agree to pay Lexon the sum of Two Hundred Thousand U.S. dollars (\$200,000.00) per month until the Total Indebtedness is paid in full (the "Premium Payments").

Such Premium Payments will begin on February 28, 2019. Lexon agrees to accept partial payments throughout each month but, in no event shall the amount paid in any given month be less than \$200,000.00.

A recent history of premium payments are as follows:

- \$650,000 received January 25, 2019
- \$500,000 received October 2, 2018
- \$500,000 received October 26, 2018
- \$345,000 received January 11, 2018

KJM

2/25/19

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## JUSTICE UPDATE

FEBRUARY 25, 2019

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